90-973 (2)

Supreme Court, U.S.
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No.

IN THE

Supreme Court of the United States

OCTOBER TERM, 1990

THE SIDWELL COMPANY,

Petitioner,

VS.

REAL ESTATE DATA, INC.,

Respondent.

APPENDIX TO PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

P. PHILLIPS CONNOR
Counsel of Record
KAY E. RICKELMAN
HILL, VAN SANTEN, STEADMAN & SIMPSON
70th Floor - Sears Tower
Chicago, Illinois 60606
(312) 876-0200
Counsel for Petitioner

Midwest Law Printing Co., Chicago 60611, (312) 321-0220

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APPENDIX TO PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

APPENDIX A

IN THE
UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT

Nos. 89-2427 and 89-3562

REAL ESTATE DATA, INCORPORATED,

Plaintiff-Appellee,

v.

SIDWELL COMPANY and
SIDWELL STUDIO, INCORPORATED,

Defendants-Appellants.

Appeal from the United States District Court
for the Northern District of Illinois, Eastern Division.
No. 78 C 2882—**Charles R. Norgle,** *Judge.*

ARGUED JUNE 4, 1990—DECIDED JULY 25, 1990

Before BAUER, *Chief Judge,* CUMMINGS and MANION, *Circuit Judges.*

CUMMINGS, *Circuit Judge.* Plaintiff Real Estate Data, Incorporated ("REDI") is a supplier of real estate ownership information to real estate and allied industries. The Sidwell Company ("Sidwell") prints and distributes real estate and tax maps, including the official tax maps for Cook County in Illinois. This suit commenced with REDI's filing a two-count complaint in July 1978. Count I alleges breach of a contract between REDI and Sidwell and is not at issue in this appeal because it has not been resolved

before the district court. In Count II REDI asserts that Sidwell's copyrights on official Cook County maps are invalid. A bench trial on the Count II issues that were not resolved in pre-trial proceedings was held in February 1985. In May 1985 Judge Norgle handed down a memorandum opinion and order holding that Sidwell's copyrights on the Cook County official tax maps were indeed invalid because the County never relinquished those rights. The case was then appealed to this Court, which remanded the cause to the district court for further findings. *Real Estate Data, Inc. v. Sidwell Co.*, 809 F.2d 366 (1987). Upon remand the district court entered additional findings of fact and conclusions of law in favor of REDI (appealed here in our No. 89-2427). A year thereafter it denied a preliminary injunction to Sidwell (appealed in our No. 89-3562). Both decisions have been consolidated for review and are now affirmed.

I.

The history of this dispute over the validity of Sidwell's claim to the copyrights was fully stated in our prior opinion and need not be completely restated. In November 1957 Sidwell and Cook County entered into their first contract providing for the County to purchase from Sidwell 1,000 maps covering the City of Chicago for $145,000. Samples had been provided by Sidwell identifying it as the copyright owner and were submitted to the County in October 1957. However, the sample maps were not mentioned in the contract.

In November 1958, Sidwell and Cook County commenced negotiations for a county-wide tax map project. The proposal submitted by Sidwell on November 28, 1958, did not grant any copyright to Sidwell nor reveal its intention to obtain a copyright on those maps. On January 26, 1959, the parties agreed upon a contract for Sidwell to perform the mapping project for $425,000. The contract contained no copyright clause and Sidwell's president testified with admirable candor that he did not attempt to bargain for such a clause because "in dealing with large

municipal governments, you don't make those kinds of suggestions if you want to get anything accomplished or signed." The sample maps submitted to the County bore a copyright identifying Sidwell as the owner but again were not incorporated into the contract.

On November 18, 1959, Sidwell and the County Clerk negotiated an agreement for Sidwell to update the county maps annually or as required for an annual fee of $100. This agreement was ratified by the Board without any reference to the ownership of copyrights. None of the journal entries of the Board's proceedings nor other records mention the copyright for the maps.

At the end of the first trial, Judge Norgle determined that there was no evidence to show an agreement by the County to give Sidwell the copyrights to the original or updated tax maps and found nothing in the County records that showed that Sidwell was the owner of the copyright or had the authority to affix its copyright notice to the maps. He held that under the Copyright Act of 1909 (35 Stat. 1075), the copyright would remain with the commissioning party, here the County Board, in the absence of a contrary agreement, and that there was no evidence of such an agreement. There is no question that the Copyright Act of 1909, and not the extensive revisions passed in 1976, applies to this case. See *Stewart v. Abend*, 110 S. Ct. 1750, 1769 n.1 (Stevens, J., with Rehnquist, C.J., and Scalia, J., dissenting).

On appeal we agreed that under the work-for-hire doctrine incorporated in the 1909 Act, the County, as the employer of Sidwell, was presumed to be the owner of the copyright with the burden on Sidwell to demonstrate a contrary intention. *Real Estate Data, Inc.*, 809 F.2d at 371; see also *Community for Creative Non-Violence v. Reid*, 109 S. Ct. 2166, 2175; *Official Aviation Guide Co. v. American Aviation Assocs., Inc.*, 150 F.2d 173 (7th Cir. 1945), certiorari denied, 326 U.S. 776. But the Court noted that under the work-for-hire doctrine the presumption that the County Board was to retain the copyrights "can be

rebutted by the conduct of the parties in the absence of a written assignment." *Real Estate Data, Inc.*, 809 F.2d at 374. This Court thought that the district judge had not sufficiently interpreted the events subsequent to the signing of the 1959 contract and held that it needed further information in order to resolve the controversy. *Id.* at 374-375.

After further briefing by the parties, the district court in its July 25, 1988, memorandum opinion and order responded to our mandate, finding in REDI's favor with respect to the copyright ownership. The district court found that the January 26, 1959, contract between Sidwell and the County Board was totally integrated and deliberately did not provide that the County Board was granting a copyright in the tax maps to Sidwell. It rejected Sidwell's claim that a copyright notice on the maps showed that the County Board intended to give Sidwell its copyright in the maps. The following are summaries of the district court's findings with respect to the five specific areas highlighted in our mandate, each of which supports the district court's conclusion that the County did not intend to relinquish the copyrights. *Id.* at 375.

1. The 1959 contract was totally integrated. It did not by its express terms or implied meaning give Sidwell the copyright. Sidwell did not secure any language in the contract to give it ownership of the copyright because it knew that the County Board would not sign such a contract. Sidwell has failed to present any evidence that the County Board agreed that it was to have the copyright to the tax maps.

2. Letters sent by Sidwell to the County in 1960 regarding Sidwell's copyright claims or the County's subsequent conduct appeared to have no effect on the County Board's view of the copyright. The second reason for the remand was that the 1987 order of the district court did not discuss these letters. *Real Estate Data, Inc.*, 809 F.2d at 375. The district court found, however, that these letters were sent to lower echelon employees of the

County Board. Nothing showed that County Board members ever saw these letters and, in fact, Sidwell does not claim that they did. Therefore, they shed no light on copyright ownership.

3. The amount of consideration paid to Sidwell did not suggest that Sidwell was intended to get the copyright. The payment of $425,000 was certainly substantial and in addition Sidwell was permitted to market the official tax maps. The County itself provided the updating work on the maps and Sidwell lowered its original bid requesting $460,000 for the project because it felt that bid was too high to be accepted. The fact that Sidwell may have lost 10% on the work was not found to demonstrate that the County Board gave a valuable property copyright absent language to that effect in the contract.

4. Even though the County's purchasing agent was meant to inspect the maps, that did not place the County on notice regarding Sidwell's assertion of copyright ownership because there was no showing that she inspected the maps or discussed them with any member of the County Board. She was not produced as a witness. Nothing in the record showed that she even knew of Sidwell's copyright claims.

5. The County Board did not acquiesce in Sidwell's copyright claims. There was no evidence to show that any member of the County Board was aware that Sidwell had been applying for copyrights on the tax maps and had been affixing copyright notices on them. The Clerk of the County Board testified that the copyrights belonged to the County.

II.

While Sidwell again relies on an oral "side deal" with then Cook County Clerk Edward J. Barrett that Sidwell did receive ownership of the copyright for the original and updated maps, we concluded on the prior appeal that Barrett did not have authority to enter into such an agreement and that the Board never ratified it, so that "it was

invalid as a matter of Illinois law." *Real Estate Data, Inc.*, 809 F.2d at 372 & n.8. We also held that sample maps were not incorporated into the contract and did not show that Sidwell was to own the copyrights. *Id.* at 373. There is also no need to consider Sidwell's arguments that in view of its original contribution to the maps a copyright for the updated maps belongs to it. As we noted in the original appeal, "upon reconsideration the [district] court again * * * [found] that under the work-for-hire doctrine, the County retains ownership of the copyrights." *Id.* at 376.* Any renewal rights would remain with the County. *Picture Music, Inc. v. Bourne, Inc.*, 457 F.2d 1213, 1215-1216 (2d Cir. 1972), certiorari denied, 409 U.S. 997.

The district court's findings on remand are not clearly erroneous. Those findings make it perfectly clear that Sidwell has failed to produce written or testimonial evidence of statements or conduct that could overcome the rebuttable presumption that the County retained the copyrights at issue instead of granting them to the independent contractor it hired.

III.

Turning to the preliminary injunction, the district court denied Sidwell's request in October 1989 to prevent REDI from competing with it in the marketing of copies of the most recent updated tax maps of Cook County. Such injunctive relief was properly denied principally because, as held above, Sidwell is not entitled to copyrights on these maps. If it prevailed on the merits, Sidwell would be adequately compensated by a monetary award. Similarly, award of a copyright to Sidwell through an injunction

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* Sidwell maintains that the trial court should not have excluded expert testimony, but we previously held that the trial court need reconsider this exclusion only "if it determines that the contracts were not a total integration." *Real Estate Data, Inc.*, 809 F.2d at 376. The trial court determined that the map contracts were a complete expression of the agreement between Sidwell and the County and we agree with that determination.

would appear to harm the public interest in light of the importance of keeping County records available for inspection or copying by the public. Therefore, the district court did not abuse its discretion in denying the requested relief.

IV.

For the foregoing reasons, judgment for plaintiff is affirmed in No. 89-2427. Order denying preliminary injunction also affirmed in No. 89-3562.

A true Copy:

Teste:

Clerk of the United States Court of Appeals for the Seventh Circuit

APPENDIX B

[DATED JULY 25, 1988]

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

REAL ESTATE DATA, INC.,

Plaintiff,

v.

THE SIDWELL CO., and
SIDWELL STUDIO, INC.,

Defendants.

No. 78 C 2882—Judge Charles R. Norgle

MEMORANDUM OPINION AND ORDER

The court issued a memorandum decision with findings of fact and conclusions of law on May 1, 1985, ruling in favor of Real Estate Data, Inc. ("REDI") on its Count II copyright claim against The Sidwell Co. and Sidwell Studio, Inc. ("Sidwell"). The Seventh Circuit reversed and remanded the claim based on the premise that additional findings by this court were necessary. *Real Estate Data, Inc. v. The Sidwell Co.*, 809 F.2d 366 (7th Cir. 1987). Accordingly, the court, in addition to its findings of fact and conclusions of law on May 1, 1985, finds and concludes as follows:

ADDITIONAL FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The written contract entered into between Sidwell and the County Board, which made no mention of a grant of copyrights to Sidwell and was complete as to all financial terms and agreements, was a totally integrated contract. The omission from the contract of an agreement by the County Board that it would grant a copyright in the official tax maps of Cook County to Sidwell was deliberate and was known to Sidwell. There is no evidence that even any member of the County Board, let alone the Board as an entity, the contracting party of the municipality, had any contrary intention. In fact, the evidence demonstrates that Sidwell did not believe that the County Board intended it to have the copyright and did not think the contract would be agreed to if it made a suggestion that the copyright be reserved to Sidwell. (i.e. the president of Sidwell testified, "you don't make those kinds of suggestions if you want to get anything accomplished or signed.")

2. Nothing done by Sidwell subsequent to the signing of the contract in any way reflects that it was the intention of the contracting body of the County, the County Board, that Sidwell should be given a valuable property right, the copyright, which belonged to the County. Sidwell's registering of the copyright is not shown to have been known to any member of the County Board. Although Sidwell addressed letters concerning its copyright to County employees, these were to lower echelon employees who did not report to the members of the County Board. At best, these persons reported to the County Clerk Barrett, whose "side deal," if any, with Sidwell was without authority and invalid as a matter of law. There is no evidence that anyone on the County Board ever saw

Sidwell's letters nor does Sidwell claim that any member of the County Board knew of them. Sidwell has presented absolutely no evidence pertaining to the intention of the County Board other than the fact that its own president, Rex, stated that Sidwell deliberately did not request that the contract furnished to it by the County contained a reservation of copyright because he felt that if Sidwell did so request the contract would not be signed.

3. The present Clerk of the Cook County, Stanley T. Kusper, Jr., has testified unequivocally "that the copyright, if any, belonged to the County." (Tr. 44). In these circumstances, it was unnecessary for the County to become embroiled in the lengthy litigation between Sidwell and REDI, two private parties. The position of the County Clerk is in accord with the work-hire doctrine and the total lack of any evidence either written or oral to rebut the presumption that the County, as Sidwell's employer, retained the copyright.

4. The contract, which did not afford Sidwell a copyright, was entered into at a time when the work-hire doctrine had been long-established in law. Sidwell's lawyer reviewed the contract. Both he and Sidwell's officials were aware that the contract did not give the County's copyright to Sidwell. In view of the well-settled law, there can be no doubt that Sidwell knew it did not have the copyright, and the County, which acted through its attorneys, was entitled to rely upon the well-settled work-hire doctrine.

5. The County paid a substantial sum to Sidwell to make official tax maps for the County. It is the County's business to maintain such maps and they have been maintained by the County in the ordinary course of its business. The County has provided the updating work on the maps. Sidwell, pursuant to a $100 a year contract,

has provided ministerial services with regard to the updating. Moreover, Sidwell has been permitted, over the years, without objection by the County, to market the official tax maps. The ten percent loss (Tr. 219) which Sidwell claims on the original job does not demonstrate that the consideration well in excess of $400,000 paid to it by the County was so inadequate as to give rise to an inference that the County Board covertly turned over to Sidwell a valuable property right belonging to the County without so much as mentioning it in the integrated written contract or in the minutes of the County Board. Many companies incur losses as a result of contractual obligations, and this fact alone (especially only a ten percent loss) does not demonstrate that the other party to the contract gave up a valuable property right absent language in the contract itself. There is no evidence of precise financial analysis to show how the loss was determined.

6. There has been no evidence presented by Sidwell that the County Purchasing Agent either inspected the maps produced by Sidwell or communicated with any member of the County Board concerning them. Indeed, she was never called as a witness. There is no showing that Sidwell, in connection with the trial, made "any attempt . . . to find" the County Purchasing Agent. (Tr. 301). Under the circumstances, the acts or omissions of the Purchasing Agent are unknown and cannot be relied upon by Sidwell to demonstrate that the County Board intended that Sidwell receive the copyright to the maps, an item of significant value to the County, and a property right belonging to the public.

7. There is no showing of either an express or implied agreement that Sidwell was to retain the copyrights. Its course of conduct over the years, taken by it unilaterally, without notice to the County Board, does not demonstrate

an intention on the part of the County Board or any of its members that Sidwell was to have the copyright. To the contrary, there is no evidence to show that either the County Board or any of its members were aware that Sidwell had made or was continuing to make applications for copyrights on the official tax maps of Cook County or that it was affixing copyright notices to the official tax maps. The official tax maps were maintained in the Map Department of the office of the Clerk of Cook County. The Clerk of Cook County is a constitutional officer. Neither the Clerk of Cook County nor those persons employed by him in the various departments over which he has supervision report to the County Board or to its members.

ORDER

The foregoing additional findings of fact and/or conclusions of law are justified by the record and by the findings of fact and conclusions of law heretofore made by this court. Accordingly, final judgment is entered in favor of REDI on Count II. The Clerk of the Court shall enter, on a separate form pursuant to Rule 58 of the Federal Rules of Civil Procedure, judgment in favor of REDI as to Count II. Pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the court determines that there is no just reason for delay of the entry of final judgment with respect to the claim raised in Count II of REDI's complaint.

IT IS SO ORDERED.

ENTER:

/s/ Charles Ronald Norgle
Judge
U.S. District Court

DATED: 7/25/88

B 6 ,

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

JUDGMENT IN A CIVIL CASE

REAL ESTATE DATA, INC.,

v.

CASE NUMBER
78 C 2882

THE SIDWELL CO., and
SIDWELL STUDIO, INC.,

☐ Jury Verdict. This action came before the Court for a trial by jury. The issues have been tried and the jury has rendered its verdict.

☒ Decision by Court. This action came to trial or hearing before the Court. The issues have been tried or heard and a decision has been rendered.

IT IS ORDERED AND ADJUDGED that final judgment is entered in favor of plaintiff on Count II of the complaint.

Date July 25, 1988

H. STUART CUNNINGHAM
Clerk

/s/ _____
(By) Deputy Clerk

APPENDIX C

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Case Number: 78 C 2882 Date: OCT 27, 1989

Name of Assigned Judge: CHARLES R. NORGLE

Case Title: Real Estate Data, Inc. v.
The Sidwell Co., et al.

* * * * *

DOCKET ENTRY:

(1) ☐ Judgment is entered as follows:

(2) ☒ [Other docket entry:]

Defendants' motion for a preliminary injunction is denied.

* * * * *

(12) ☒ (For further detail see

☒ Order on the reverse of the original minute order form.)

* * * * *

/s/ Charles R. Norgle

C 2

ORDER

Defendant, Sidwell, seeks an injunction to prevent plaintiff, a competitor, from marketing copies of official tax maps of Cook County and the City of Chicago to which defendant claims renewal and original copyrights, respectfully.

This is not the first time Sidwell has asserted rights to tax maps. In this action and another, 86 C 5475, Sidwell has been unsuccessful on five previous occasions, relying upon the same arguments and authorities as it presents here.

This motion has technically been pending for two years. Until now, Sidwell has not urged a decision. Quite frankly, it had been the court's view that, in light of the numerous prior rulings adverse to Sidwell, the motion had been withdrawn as either moot or no longer well grounded. A review of the motion and supporting and opposing memoranda leads the court to confirm its earlier conclusion.

In this circuit a preliminary injunction may be entered only where the plaintiff has no adequate remedy at law, has some likelihood of success on the merits and will suffer irreparable injury absent injunctive relief. In addition, the harm to the defendant as a result of an injunction must not outweigh the harm which would result to the plaintiff as a result of its denial. Finally, the injunction must not harm the public interest. *Roland Machinery Co. v. Dresser Industries, Inc.*, 749 F.2d 380, 386-88 (7th Cir. 1984).

The court concludes that Sidwell has demonstrated neither irreparable injury nor lack of an adequate legal remedy. Simply put the damages which Sidwell claims it has or will incur from competition are monetary losses, which

Sidwell has failed to establish will threaten its existence and which may be adequately compensated for by a legal remedy—a monetary award—in the event Sidwell prevails on the merits. Furthermore, with respect to the requirement of showing some likelihood of success on the merits, the court concludes, based in part upon its familiarity with the history of this litigation, that Sidwell has not demonstrated likelihood of success on the merits. Finally, the court concludes that the relief Sidwell requests would harm the public interest in having public records available for inspection and copying.

Sidwell's motion for a preliminary injunction is denied.

/s/ Charles R. Norgle

APPENDIX D

[DATED MAY 1, 1985]

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

REAL ESTATE DATA, INC.,

Plaintiff,

v.

THE SIDWELL CO., and
SIDWELL STUDIO, INC.,

Defendants.

No. 78 C 2882—Judge Charles R. Norgle

MEMORANDUM OPINION AND ORDER

This cause has proceeded to bench trial on the cause of action raised in Count II of the complaint brought by Real Estate Data, Inc. ("REDI") against the Sidwell Co. and Sidwell Studio, Inc., ("SIDWELL"), by which REDI seeks a declaration that the copyrights claimed by Sidwell on the official Cook County tax maps are invalid. Most of the issues involved in Count II have been disposed of by the Court in prior orders entered June 8, 1981 and October 25, 1984, denying REDI's and Sidwell's cross motions for summary judgment. Issues not disposed of by prior orders were the only issues tried.

Through pre-trial proceedings in this matter and by its prior order, the Court has determined the following:

1. The County Board, after public hearing, agreed to enter into a contract with Sidwell, whereby Sidwell would perform a tax mapping project for a sum of $425,000. The contract to which the County Board agreed did not reserve the copyright to Sidwell. (6/8/82 Order at 1).

2. Upon acceptance of Sidwell's proposal, the County prepared a written contract between Sidwell and the County Board. Nothing in the terms of this contract gave the copyrights to Sidwell and the contract made no reference to any other purported agreement respecting the copyright. The omission in the written contract of any mention of copyrights was known to Sidwell, its officers and its attorney at the time Sidwell signed the contract. (6/8/82 Order at 5).

3. Edward J. Barrett was the Clerk of Cook County at the time of the making of the contract and immediately prior thereto. (6/8/82 Order at 2).

4. Sidwell claims it had an oral agreement with the clerk prior to the execution of the contract. This oral agreement is alleged to reserve a copyright in Sidwell on the tax maps. However, R. L. Rex, Sidwell's chief executive officer, affirmatively states the alleged reservation of copyright was not memorialized in the contract "because you don't make those kind of suggestions if you want to get the contract signed." (6/18/81 Order at 3-5).

5. The contract as finally signed on or about January 26, 1959, does not reserve the copyright to Sidwell, and in fact is silent with respect to the copyright in the maps. (6/8/82 Order at 1).

6. The terms of the parties' agreement respecting ownership of the copyright were clearly material to the County Board's evaluation of the contract. (6/8/82 Order at 4).

7. Pursuant to this contract, Sidwell created the original Cook County tax maps and the County paid Sidwell $425,000 for the work. (6/8/82 Order at 1).

8. Although the agreement did not mention the copyright, Sidwell registered the copyright in the original maps in its own name in 1959 and 1960, and Sidwell has printed copyright notices on copies of the maps it has distributed. (6/8/82 Order at 2; 10/25/84 Order at 1-2).

9. Sidwell also claims copyrights on update maps which it created for the County Board pursuant to a written agreement between Sidwell and Barrett. Under this agreement, Sidwell was to be paid a $100 annual fee for the updated maps. This agreement was ratified by the County Board. Again, no term of the written agreement granted the copyrights to Sidwell, and in fact there was no provision in the agreement concerning ownership of the copyrights in the updated maps. (6/8/82 Order at 2).

10. This case is governed by the 1909 Copyright Act. (10/25/84 Order at 2).

11. Under the work-for-hire doctrine incorporated in the Act, the County, as the employer of Sidwell, is presumed to be the owner of the copyrights, absent persuasive evidence to the contrary. (6/8/82 Order at 6; 10/15/854 Order at 2). That is, the copyrights belonged to the County by operation of law, unless there was a specific intention to give the right to Sidwell. (6/8/82 Order at 4-5).

12. Sidwell has claimed that it owns the copyrights because of an alleged oral side deal between Joseph Sid-

well and Mr. Barrett, made in 1959, that Sidwell would retain ownership of the copyrights on the original and updated maps. (6/8/82 Order at 3). However, the Court has found that the parol evidence rule bars the addition of new terms to the written contract, and that Barrett had no authority to enter into any such agreement. (6/8/82 Order at 5-8; 10/15/84 Order at 2, 5-6).

13. There is no evidence of any understanding or agreement between Sidwell and the County Board concerning the copyright, and there is no evidence that Sidwell or anyone else ever informed the County Board of any purported agreements regarding the copyright. (6/8/82 Order at 8-9).

14. Public contracts with Cook County which exceed $1,000 are null and void unless approved by the County Board. Sidwell's own expectation of its ability to derive a profit from the commercial sale of copies of the maps establishes that the copyrights were valuable commercial rights, worth in excess of $1,000. (6/8/82 Order at 6-7).

15. Neither a forfeiture nor an abandonment of the copyrights by the County can operate as an assignment of the County's copyrights to Sidwell. (10/25/85 Order at 4, 6).

16. The only disputed issues remaining for trial concern (a) whether the course of conduct of the Cook County Board over the years evinces an original intention that Sidwell should own the copyrights in issue (6/8/82 Order at 9); (b) whether the updated maps lack originality (6/8/82 Order at 10); and (c) whether Sidwell contributed to the updated maps to the extent that Sidwell may claim copyrights in them. (6/8/82 Order at 10). As to the first of these issues, Sidwell bears the burden of proof. (6/8/82 Order at 6). As to the issues concerning the copyrightability of the updated maps, REDI has the burden of proof.

FINDINGS OF FACT

1. Real Estate Data, Inc. is a corporation organized and existing under the laws of the State of Delaware, having its principal place of business in Miami, Florida, and duly authorized to do business in the State of Illinois. REDI supplies ownership information services to the real estate and allied industries in various parts of the country. (Admitted in Sidwell's Answer at ¶¶1-2).

2. The Sidwell Company is a corporation organized and existing under the laws of the State of Illinois, having its principal place of business in West Chicago, Illinois. Sidwell prints and distributes real estate and tax maps, including the official tax maps for Cook County, Illinois. (Admitted in Sidwell's Answer at ¶¶4-6).

3. In November, 1958, Cook County advertised for bids on a county-wide tax mapping project. The County's "specifications," as expressed in the advertisements published on November 12 through 14, 1958, contain no provision regarding ownership of the copyright in the maps.

4. Pursuant to the County's advertisement for bids, Sidwell delivered a written proposal to the Cook County Board of Commissioners on or about November 18, 1958.

5. Sidwell's proposal to perform the county-wide tax mapping project contained no provisions reserving the copyright to Sidwell, nor did it provide any indication of Sidwell's desire to obtain a copyright.

6. The original county mapping project lasted from 1959 through 1960. (Admitted in Sidwell's Memorandum in Support of Its Motion for Summary Judgment at 1, 2).

7. The Journal of Proceedings of the County Board reflects the November 18, 1958 Sidwell proposal, the January 16, 1959 contract, and the ratification of the November

18, 1959 updating agreement. None of the Journal entries mentions the copyrights in the maps. The county's records disclose no other reference to these contracts, nor to any vote or other action of the County Board respecting the copyrights. There is no record of any vote or any other action of the County Board respecting any other modification or amendment of the contracts.

8. No official of the County of Cook testified that it was ever the intention of the County that its copyrights be relinquished or that such valuable county property should be given away.

9. Sidwell's contract with Cook County is silent as to copyrights, and there is no reservation of copyrights to Sidwell in any written document evidencing any agreements between Sidwell and Cook County concerning the tax map project. The first contract was negotiated between Sidwell representatives and officials in the county offices of County Clerk, Assessor, and Controller. It was signed on November 19, 1957 by Joe Sidwell (as proprietor of Sidwell Studios, predecessor of the Sidwell company) and Edward Barrett, Clerk of Cook County. It provided for the purchase of over 1600 maps covering the City of Chicago in accordance with samples previously delivered by Sidwell. Such samples included the first of the maps created by Sidwell covering the City of Chicago, which were completed and delivered to the map department of the County Clerk's office in October, 1957. All of such sample maps bore a dated copyright notice identifying Sidwell as the copyright owner. On January 26, 1959, a second written contract was drawn up by the County and it contained no reference of copyright. (On February 17, 1959, a purchase order was issued.) The contract form was signed by Dorothy Boland, the County Purchasing Agent, Daniel Ryan, Chairman of the Board,

and Edward J. Barrett as Comptroller of Cook County. (The purchase order was signed by Dorothy Boland, Purchasing Agent and by C. R. Hodgman as Comptroller). Inter alia the second contract stated that the work was to be in compliance with "the samples furnished . . . and the . . . maps submitted or furnished." Later, a third contract was made providing for updating services for the sum of $100.00 per year. No reference to copyright was made therein. The "updating" of the maps lacks originality and the contribution of Sidwell to such updating is insufficient to justify any copyright claim to the updated maps.

10. Sidwell admits it has copyrighted the "updated" tax maps since 1960 and has marketed those maps commercially. (See Sidwell's Answer at ¶15; and see 6/8/82 Order at 2, 8-9).

11. By statute, the Cook County permanent parcel index numbered maps are public records. See Ill. Rev. Stat. ch. 120, §511. As Sidwell admits, the master tax maps and printed copies of the updated tax maps are freely available in the office of the Clerk and other Cook County public offices for examination by the public. (See Sidwell's Answer at ¶11).

12. There is no admissible testimony or documentary evidence to indicate any agreement between Sidwell and the County providing for a copyright to Sidwell in connection with the tax maps. Sidwell claims that it had a secret oral agreement with Barrett to give Sidwell the copyright. There is no evidence of this so-called oral agreement and no evidence that Barrett discussed it with any member of the County Board or with his own successor in office. Barrett died years before this action was filed and was never deposed.

13. Stanley T. Kusper succeeded Barrett as County Clerk in 1973. He was not told of any alleged side deal between his predecessor and Sidwell. Upon taking office, Kusper reviewed the County's records concerning the agreement with Sidwell and found nothing indicating that Sidwell was intended to be the owner of the copyright or was intended to be permitted to affix its copyright notice on the maps.

14. Kusper planned for the County Clerk's office to take over all phases of production and correction of the official tax maps. However, because the County Board did not make an appropriation of the funds necessary to purchase essential equipment and did not bring the entire map making operation in-house, Kusper could not carry out his plan.

15. Sidwell has been performing updating work in connection with the Cook County tax maps since 1959, shortly after their creation, and has placed additional copyright notices on the maps in recent years. The updating work has been performed under contract, the written portion of which provides for a nominal payment of $100.00 per year. However, since about 1965, the maps have, in fact, been updated by employees of the County. County employees compile all necessary data, make appropriate adjustments on the master maps, and deliver the updated master maps to Sidwell for annual cleaning and reproduction. Sidwell's employees perform these ministerial tasks only, and work at the direction of County personnel.

16. Since 1965, although the updating is actually performed by County employees, Sidwell has copyrighted "updated" tax maps and sold them to the public without contributing original work.

17. There is no evidence that the County Board was aware of Sidwell's claims of copyright in the twenty year period following the original production of the maps, either as to the original maps or as to the various updated maps.

18. Sidwell has failed to show that it was the intention of the Cook County Board and Sidwell to reserve the copyright in Sidwell. The contracts speak for themselves and contain no references to copyrights being reserved in Sidwell.

19. To the extent that any of the foregoing findings of fact are deemed to be conclusions of law, they are hereby adopted as conclusions of law.

On the foregoing findings of fact, the Court now makes the following conclusions of law.

CONCLUSIONS OF LAW

1. This Court has subject matter jurisdiction of this cause pursuant to Title 28 U.S.C. §1388(a), and the Court also has jurisdiction hereof pursuant to Title 28 U.S.C. §§ 1331(a) and 1332(a). Venue in this District is proper pursuant to Title 28 U.S.C. §1381(b).

2. This case is governed by the Copyright Act of 1909, the law extant prior to the effective date of the current Copyright Act. The current Act of 1976 became effective in 1978, long after the circumstances relating to this controversy.

3. In the absence of an express agreement to the contrary, the right, if any, to a copyright remains in the person who commissions a work. *Bleistein v. Donaldson*, 188 U.S. 39, 249 (1903); *Dielman v. White*, 102 F. 892, 895 (C.C. Mass. 1900); *Yardley v. Houghton Mifflin*, 108 F.2d 28, 31-32 (2d Cir. 1939), *cert. denied*, 309 U.S. 686 (1940).

4. There was never any provision in any contract between Cook County and Sidwell granting to Sidwell a copyright in the official Cook County tax maps.

5. The Journal of Proceedings of the County Board is the official record of the transaction of business by the corporate authorities of the County of Cook. The absence from this record of any reference to any intention to vest the ownership of the copyrights in Sidwell and the nonexistence of any other documentary evidence of such an intention demonstrate that no such intention existed.

6. The Cook County Board alone has the power by law to bind the County by a contract. There is no such power in an individual or committee unless bestowed by the County Board. *Sexton v. County of Cook*, 114 Ill. 174, 179 (1885); *County of Stephenson v. Bradley & Bradley, Inc.*, 2 Ill. App. 3d 421, 275 N.E. 2d 675, 677-68 (2d Dist. 1971).

7. The County Board of Cook County has never expressly or impliedly ratified Sidwell's unilateral assumption of copyright to the County's official tax maps.

8. Since about 1963, Sidwell has performed no original work in the updating of the official County tax maps. Nothing contributed by Sidwell to the updated maps was of an original nature, nor did Sidwell's role in the updating process produce the differences between the existing and the updated maps. Thus, Sidwell is not entitled to copyright in the updated maps. *Rand McNally & Co. v. Fleet Management Systems, Inc.*, 591 F.Supp. 716 (N.D. Ill. 1983).

9. Sidwell has neither contracted for nor obtained a copyright from Cook County for the updated tax maps.

10. The County has the right to cancel, on 30 days' notice, the contract by which Sidwell "updates" the maps for $100 a year. If the County were to exercise this right, either the County or another contractor would have to take over the function of producing updated maps. This would be inconsistent with any intention that the copyright be held by Sidwell. Thus, the County's obvious interest in maintaining current maps demonstrates that the County did not intend to cede the copyrights to Sidwell.

11. There is no competent evidence to any pre-existing oral agreement which might enable Sidwell to claim a copyright. In the absence of any express provision for copyright in Sidwell's written agreements with Cook County, Sidwell's copyrights in the official Cook County tax maps are invalid.

12. Pursuant to Rule 54(b), Fed.R.Civ.P., the Court determines that there is no just reason for delay of the entry of final judgment respecting the claims raised in Count II or REDI's complaint.

13. To the extent that any of the foregoing conclusions of law are deemed findings of fact, the Court hereby adopts them as such.

ORDER

Pursuant to the foregoing findings of fact and conclusions of law, and in accordance with Fed.R.Civ.P. 54(b), the Court hereby directs entry of final judgment in favor of Real Estate Data, Inc., and against the Sidwell Company and Sidwell Studios, Inc. upon Count II of the complaint, as follows:

1. The copyrights heretofore claimed by Sidwell and its predecessors on the Cook County official tax maps and

books and all registrations thereof with the Register of Copyrights are hereby declared invalid and of no force and effect.

2. Sidwell is hereby directed to notify the Register of Copyrights to cancel all such registrations now on record in the United States Copyright Office.

3. Judgment is hereby entered in favor of Real Estate Data, Inc. and against The Sidwell Company and Sidwell Studio, Inc. on Count II of the Complaint for its costs incurred.

IT IS SO ORDERED.

ENTER:

/s/ Charles Ronald Norgle
Judge
U.S. District Court

DATED: 5/1/85

APPENDIX E

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Case Number: 86 C 5475 Date: JULY 31 1986

Name of Assigned Judge: FRANK J. McGARR

Case Title: The Sidwell Company, Inc. vs.
Real Estate Data, Inc.

* * * * *

DOCKET ENTRY:

(1) ☐ Judgment is entered as follows:

(2) ☒ [Other docket entry:]

Hearing on plaintiff's oral motion for preliminary injunction held and concluded. Court enters its findings of fact and conclusions of law from the bench. Motion for preliminary injunction is denied. Status hearing set for Sept. 22, 1986 at 10:00 a.m.

* * * * *

APPENDIX F

IN THE
UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT

No. 85-1938

REAL ESTATE DATA, INC.,

Plaintiff-Appellee,

v.

THE SIDWELL CO., and SIDWELL STUDIO, INC.,

Defendants-Appellants.

Appeal from the United States District Court
for the Northern District of Illinois, Eastern Division.
No. 78 C 2882—**Charles R. Norgle**, *Judge.*

ARGUED JANUARY 9, 1986—DECIDED JANUARY 8, 1987

Before CUDAHY and COFFEY, *Circuit Judges*, and ESCHBACH, *Senior Circuit Judge.*

ESCHBACH, *Senior Circuit Judge.* The primary question presented in this appeal is whether the district court erred in concluding that the party that commissioned the works in question, and not the independent contractor that created them, owns the copyrights to those works. For the reasons stated below, we will reverse and remand for further proceedings.

I

The primary facts, as found by the district court, relevant to the disposition of this appeal are the following:

Real Estate Data, Inc. ("REDI"), a Delaware corporation with its principal place of business in Florida, provides real-estate "ownership information" services to the real-estate and allied industries in various parts of the country. The Sidwell Company ("Sidwell"), an Illinois corporation with its principal place of business in that state[1] prints and distributes real-estate and tax maps, including the official tax maps for Cook County, Illinois. The tax maps show the location and tax-roll numbers for each parcel of land within a given jurisdiction and the placement of streets and boundaries.[2] These maps are used primarily by local governments for assessment purposes. If the demand is sufficient, Sidwell markets the tax maps commercially.

The first contract negotiated between Sidwell and Cook County, Illinois, was signed on November 19, 1957. It provided for the purchase at $145,000 of more than 1600 maps covering the City of Chicago in accordance with samples previously provided by Sidwell. The agreement made no mention of copyright ownership. The samples submitted by Sidwell were delivered to the map department of the County Clerk's office in October of 1957 and bore a notice identifying Sidwell as the copyright owner. The final maps were delivered to the County in 1958. This contract is not contested in the instant case.

In November of 1958, Cook County advertised for bids on a county-wide tax-map project. The "specifications" for the project, as set forth in advertisements published on November 12, 13, and 14, 1958, contained no provision regarding the ownership of the copyright in the proposed

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[1] Sidwell is the successor to Sidwell Studios, a sole proprietorship. Both the proprietorship and the successor corporation are referred to collectively herein as "Sidwell."

[2] Pursuant to Ill. Rev. Stat. ch. 120, ¶ 511, the Cook County permanent parcel index numbered maps are public records. The master tax maps and the printed copies of updated maps are freely available in certain Cook County public offices for examination by the public.

maps. In response to the advertisement, Sidwell delivered a written proposal to the Cook County Board of Commissioners ("Board") on November 18, 1958. The proposal for the county-wide mapping project contained no provision reserving any copyright to Sidwell, nor did it express an intention on the part of Sidwell to obtain such a copyright.

After a public hearing, the Board agreed to enter into a contract with Sidwell, pursuant to which Sidwell would perform the mapping project for $425,000. The contract to which the Board finally agreed was signed on January 26, 1959, and a purchase order from the County was issued on February 17, 1959. The contract did not reserve a copyright in the maps to Sidwell, and the absence of such a provision was known to Sidwell and its officers at the time of the contract's signing. The president of Sidwell testified that he did nothing to obtain a copyright clause in the contract because "in dealing with large municipal governments, you don't make those kinds of suggestions if you want to get anything accomplished or signed." The agreement did provide that the new maps would be in accordance with the "samples furnished," and, according to the testimony of Sidwell's witnesses, the samples submitted to the County bore a copyright notice identifying the contractor as the owner. Sidwell prepared the maps during 1959 and 1960.

On November 18, 1959, Sidwell and the County Clerk negotiated an agreement pursuant to which Sidwell would update the County maps every year or as required for an annual fee of $100. This agreement could be cancelled on 30-days notice. A document was drawn up to reflect that agreement and was later ratified by the Board. Again, no reference was made to the ownership of copyrights.

The Board's Journal of Proceedings (the official record of the transaction of business by the County's corporate authorities) shows that the Board approved Sidwell's proposal of November 18, 1959, and the contract of January 16, 1959, and that it ratified the updating agreement of November 18, 1959. None of the Journal entries mentions

the copyrights for the maps, and the County's records disclose no other references to these contracts, nor to any vote or other action of the Board regarding the copyrights. There is no record of any vote or any other action of the Board concerning modifications or amendments to these agreements.

Sidwell created the original tax maps on the County in accordance with the contract of January, 1959, and performed the necessary updating until 1965. After 1965, revisions were made by County employees. Sidwell has marketed the maps commercially since 1960. It has also registered copyrights in its own name, has printed a copyright notice on the original and updated maps it has distributed, and has otherwise continuously represented itself as the owner of the copyright for these maps since 1959. The County has never asserted any ownership interest in the copyrights for these maps, and has apparently done nothing in response to Sidwell's claim to ownership of these rights.

On July 20, 1978, REDI, a competitor of Sidwell, filed a two-count complaint against the appellant in federal district court.[3] Count I alleged that REDI and Sidwell had entered into a marketing agreement and that Sidwell had breached the contract with regard to royalty payments and the renewal of leases. Count II sought a declaration pursuant to 28 U.S.C. § 2201 that, *inter alia*, the copyrights registered by Sidwell for copies of the Cook County official maps and map books were invalid. Sidwell filed counterclaims for breach of contract and antitrust violations.

On October 20, 1980, REDI moved for summary judgment on Count II of the complaint. The case was referred to a magistrate, who recommended that the motion be denied. On September 30, 1981, the district court rejected this recommendation and invited the parties to file addi-

[3] The statutory sources of the district court's subject-matter jurisdiction are 28 U.S.C. §§ 1331, 1332, and 1338.

tional briefs on the copyright question. On June 8, 1982, the court denied REDI's motion for summary judgment.

On November 10, 1981, the current County Clerk filed, pursuant to an order of the trial court, a "Statement of Position," in which he stated that his joinder was "not needed for the just adjudication of the private dispute that forms the subject matter of this lawsuit, Fed. R. Civ. P. 19(a)." On March 9, 1984, the district court granted REDI's motion to sever the copyright claim and scheduled it for an immediate trial. Sidwell filed a motion for summary judgment on Count II on October 3, 1984, which was denied on October 25.

A bench trial on the issues not resolved in the pre-trial proceedings was held in February of 1985. The district court entered judgment in favor of REDI and against Sidwell on the copyright claim on April 11, 1985, and issued its memorandum decision on May 1. According to that order, the copyrights Sidwell claimed for "the Cook County official tax maps and books and all registrations thereof with the Register of Copyrights" were declared invalid and Sidwell was directed to notify "the Register of Copyrights to cancel all such registrations now on record in the United States Copyright Office." Although this judgment did not resolve all of the pending claims in this action, the court pursuant to Fed. R. Civ. P. 54(b) found that there was no just reason for delay of the entry of final judgment on the claims raised in Count II of REDI's complaint and entered final judgment on that count.[4] This appeal followed.

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[4] Contrary to the requirements of Rule 58, the district court failed to enter the Rule 54 certification on a separate document. However, we find that this omission does not preclude this court from excercising jurisdiction over this appeal. *See Lac Courte Oreilles Band v. Wisconsin*, 760 F.2d 177, 181 (7th Cir. 1985); *Alexander v. Chicago Park District*, 773 F.2d 850 (7th Cir. 1985); *Local P-171 v. Thompson Farms Co.*, 642 F.2d 1065, 1071 (7th Cir. 1981). In addition, we hold that, given the nature of the claims at issue in the instant action, the certification was proper. *See Local P-171*, 642 F.2d at 1071-72.

II

A. Applicable Law

The federal copyright statutes were extensively revised in 1976 by Pub. L. No. 94-553, 90 Stat. 2541, codified at 17 U.S.C. §§ 101-810 ("1976 Act"). The relevant provisions of the 1976 Act went into effect on January 1, 1978.[5] The events at issue here, however, occurred almost two decades before that date, so there is a threshold question whether the 1976 Act applies to the claims presented in this case. We agree with the Second Circuit's decision in *Roth v. Pritikin*, 710 F.2d 934, 937-40 (2d Cir.), *cert. denied*, 464 U.S. 961 (1983), that the 1976 Act does not have retroactive application[6] and thus affirm the lower court's ruling that the law in effect at the time the contract in question was signed, *i.e.*, the Copyright Act of 1909 ("1909 Act"),[7] provides the rule of decision in this dispute.

Prior to the 1909 Act, the federal judiciary had developed a "work for hire" doctrine, under which it was presumed that if an employee created a copyrightable work in the course of his employment, the copyright to the work would vest in the employer. *See Bleistein v. Donald-*

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[5] *See* Pub. L. No. 94-553, § 102, 90 Stat. 2598, codified at 17 U.S.C. note preceding § 101; *see also id.* § 101, 90 Stat. 2572, codified at 17 U.S.C. § 301.

[6] *See also May v. Morganelli-Heumann & Assoc.*, 618 F.2d 1363, 1368 n.4 (9th Cir. 1980); *see also Sargent v. American Greetings Corp.*, 588 F. Supp. 912 (N.D. Ohio 1984); *Everts v. Arkham House Publishers, Inc.*, 579 F. Supp. 145 (W.D. Wis. 1984).

The provisions of the 1976 Act that govern the work-for-hire doctrine are contained in § 101, 90 Stat. 2541, 2568, codified at 17 U.S.C. §§ 101, 201. Under 17 U.S.C. § 201(b) (1982), the employer is considered the author for the purposes of Title 17 and, unless the parties have expressly agreed to the contrary in a written instrument signed by them, the person for whom the work was prepared owns all rights embodied in the copyright.

[7] Act of Mar. 4, 1909 ch. 320, 35 Stat. 1075 (formerly codified at 17 U.S.C. §§ 1 et seq.).

son Lithographing Co., 188 U.S. 239, 23 S. Ct. 298 (1903) (Holmes, J.); *Dielman v. White*, 102 F.2d 892, 894 (C.C. Mass. 1900); *cf. Gill v. United States*, 160 U.S. 426, 16 S. Ct. 322 (1896). The 1909 Act provided protection for the "authors" of copyrights, and defined "author" to include an employer in the case of "works made for hire." 17 U.S.C. § 26 (1976). This provision has been interpreted by the courts as a codification of the work-for-hire doctrine. The general rule is that, in the absence of an agreement to the contrary, the copyright belongs to the person commissioning the work, not the person creating the work. *See Roth v. Pritikin*, 710 F.2d 934 (2d Cir.), *cert. denied*, 464 U.S. 961 (1983); *May v. Morganelli-Heumann & Assoc.*, 618 F.2d 1363 (9th Cir. 1980); *Murray v. Gelderman*, 566 F.2d 1307 (5th Cir. 1978); *Brattleboro Publishing Co. v. Winmill Publishing Corp.*, 369 F.2d 565 (2d Cir. 1966); *Lin-Brook Builders Hardware v. Gertler*, 352 F.2d 298 (9th Cir. 1965); *Official Aviation Guide Co. v. American Aviation Associates, Inc.*, 150 F.2d 173 (7th Cir. 1944), *cert. denied*, 376 U.S. 776 (1945); *Yardley v. Houghton Mifflin Co.*, 108 F.2d 28 (2d Cir. 1939). The rule applies to independent contractors, as well as employees. *Brattleboro Publishing Co.*, 369 F.2d at 568; *Picture Music, Inc. v. Bourne, Inc.*, 457 F.2d 1213, 1216 (2d Cir. 1972).

The work-for-hire doctrine of the 1909 Act does not foreclose an agreement between the parties that the contractor shall own the copyright, but rather it simply establishes a rebuttable presumption that can be overcome by evidence of a contrary agreement, either written or oral. *Roth*, 710 F.2d at 937 & n.3; *Scherr v. Universal Match Corp.*, 417 F.2d 497, 500 (2d Cir. 1969); *Welles v. Columbia Broadcasting System*, 308 F.2d 810, 813 (2d Cir. 1962). The intent of the parties is, obviously, the decisive factor, and the burden is on the independent contractor to demonstrate by a preponderance of the evidence that such an agreement was reached. *May*, 618 F.2d at 1369; *Yardley*, 108 F.2d at 31; *cf. Dielman*, 102 F.2d at 894.

The primary question under the work-for-hire doctrine is whether Sidwell has shown that the parties to the 1959 contracts for the production and updating of tax maps for Cook County agreed that Sidwell would own the copyright to these works. The district court found that Sidwell failed to make such a showing. As the discussion below indicates, we are not convinced by the district court's decision and will remand for further proceedings.

A. Agreements Between Sidwell and Cook County

It is undisputed that the county's advertisement for the map project, Sidwell's proposal for the project, the contract of January 26, 1959 for the tax maps, the subsequent agreement for the updating of those maps, and the County's Journal of Proceedings make no mention of copyrights. Sidwell was aware of the language of these agreements and yet did nothing to have copyright clauses included in the contract because, as the president of the company testified, "you don't make those kinds of suggestions if you want to get anything accomplished or signed." The silence of these documents, considered only in conjunction with the presumption of the work-for-hire doctrine, would establish that the County retained all copyrights to these works.

Sidwell, however, maintains that it had an oral "side deal" with Edward Barrett, who was then the Clerk of Cook County, that Sidwell would retain ownership of the copyrights for the original and updated maps. The district court concluded that such an agreement, if it existed at all, would not bind the County. On appeal, Sidwell contests this ruling.

Public contracts with Cook County that exceed $1,000 are "null and void" unless approved by the Board. Ill. Rev. Stat., ch. 34, ¶¶ 951, 1001. There is no serious argument that the copyrights in question had a value of less than $1,000. Sidwell's own expectation that it would derive a profit from the commercial sale of copies of the maps demonstrates that these rights were worth in excess of

that amount. Thus, Barrett did not have the authority to enter into this agreement on his own, *see County of Stephenson v. Bradley & Bradley*, 2 Ill. App. 3d 421, 274 N.E.2d 675, 677-78 (2d Dist. 1971); *Moffett v. Hicks*, 229 Ill. App. 296, 306 (3d Dist. 1923), and Sidwell is charged with knowledge of the limits of Barrett's authority, *Pauly v. County of Madison*, 288 Ill. 255, 260 (1919). Of course, like the 1959 contract for updating the maps, the County could have ratified the Barrett agreement regarding copyrights and thus would have eliminated the legal deficiencies resulting from Barrett's lack of authority under Illinois law. Sidwell, however, failed to demonstrate that the Board was informed of this oral "side deal," much less that it ratified the arrangement. Thus, Sidwell's reliance on that agreement is unavailing, because it was invalid as a matter of Illinois law.[8]

B. Incorporation of Map Samples

Sidwell maintains that, in responding to the advertisement for the Cook County mapping project, it submitted sample maps to which a notice identifying Sidwell as the copyright owner was affixed. Although Sidwell has conceded that the written contracts with the County did not address copyright ownership and that it did not attempt to have the contracts reflect that it was the copyright owner, it nonetheless argues that the sample maps were incorporated by reference into the contract and that, as

[8] Sidwell's contention that Barrett had the apparent authority to enter into this "side deal" on behalf of the County is unavailing. Illinois follows the general rule that it is the actions of the principal, not the agent, that confer apparent authority upon the agent. *See Barraia v. Donoghue*, 49 Ill. App. 3d 280, 283, 364 N.E.2d 952, 954 (1st Dist. 1977). Even if we assume *arguendo* that Barrett was authorized to *negotiate* contracts for the County, Sidwell has still not shown that the county expressly or impliedly authorized Barrett to *enter into* a contract on behalf of the County granting to Sidwell the copyrights for these maps that would not require the approval of the Board.

a result of this incorporation, the County agreed that Sidwell held the copyrights for these maps. We concur in the district court's conclusion that this argument is unavailing.

The agreement of January 26, 1959 was a printed form entitled "Contract With The County of Cook." A description of the map project was typed in the appropriate blank spaces. Part of the printed "boiler plate" provides:

> It Is Agreed that the performance of this contract by [Sidwell] shall be in strict compliance with the advertisement of the County, the proposal of [Sidwell], and the specification relative thereto, the samples furnished and demonstrations made, if any, and the cuts, maps, drawings, illustrations and descriptions submitted or furnished, if any, all of which documents and things are on file in the office of the Purchasing Agent of Cook County and are hereby made a part of this contract.

The contract does make the "samples" a "part" of the contract, and REDI has not argued that the maps submitted were not "samples" within the meaning of this provision. However, it would be unusual in the extreme to conclude that this general language regarding "specifications" in a form contract that could apply to the County's purchase of any "goods, wares and merchandise and material" and that makes no mention of, for example, copyright, patent, or trademark laws was meant to transfer ownership of the copyrights in question to Sidwell. Indeed, the only sensible reading of this provision is that the *independent contractor* is required to provide the County with "goods, wares and merchandise and material" that conform to the samples submitted in the proposal process.[9] It in no way suggests that the legal rights of

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[9] This conclusion is supported by other language in the contract:

> It Is Further Agreed that any and all goods, wares and merchandise and material to be delivered by [Sidwell] and any and all work to be done by [Sidwell] shall be satisfactory to the

(Footnote continued on following page)

the parties are to be determined by the copyright notices unilaterally affixed to those samples by the contractor. *See Brattleboro Publishing Co. v. Winmill Publishing Corp.*, 369 F.2d 565, 568 n.3 (2d Cir. 1966). Furthermore, it is not clear that Sidwell was entitled to copyright its sample maps, because they were created pursuant to an earlier contract with the County that was silent on the subject of copyright ownership. In conclusion, then, we find that the "incorporation" of the samples into the contract does not show an agreement on the part of the parties that Sidwell was to own the copyrights for the tax maps.

C. The County's "Acquiescence"

As previously noted, Sidwell placed copyright notices on all the maps created pursuant to the 1959 contracts, and it has from 1957 to the present marketed the tax maps it created for the County. Sidwell attempted to show below that, in response to an alleged plan by the County in 1960 to market copies of the maps, Sidwell sent a letter to the Chief Clerk of the Cook County Map Department and to the County Clerk protesting this potential infringement of Sidwell's alleged copyrights. The letter to the Map Department stated that the County could copy the maps for its own use only. It would appear that, after the receipt of these letters, the County did not mar-

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[9] *continued*

> Purchasing Agent of Cook County, who shall have the right to inspect, accept or reject the same or any part thereof.
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> . . . .
>
> It Is Agreed that if [Sidwell] shall fail, refuse or neglect to supply, furnish or deliver the said goods, wares and merchandise, or material or work at the time or times and place or places and in the quantity and quality as provided in said agreement and said proposal and this contract, or as may be directed by the Purchasing Agent of Cook County, then the said County, upon giving to [Sidwell] three (3) days' notice of its intention so to do, shall have the right to declare this contract forfeited and at an end . . . .

ket the maps and that it in fact made copies only for its own use.

Sidwell argues that this conduct on the part of the County, along with other evidence, shows that it was the original intent of the parties that Sidwell own the disputed copyrights.[10] In ruling on REDI's motion for summary judgment, the district court concluded:

> [T]here is no specific evidence that the Board was ever informed about the copyrights . . . . Nevertheless, considering the long period of time during which [Sidwell] has openly and notoriously asserted its ownership of the copyrights and all other undisputed facts, it is possible that the trier of fact could infer that it was the original intention of the parties that [Sidwell] was to own the copyrights . . . .

REDI's motion was, therefore, denied.

In its ruling on Sidwell's motion for summary judgment, the district court found that long-term acquiescence did not allow a party to the contract to claim a specific construction as a matter of law. Thus, Sidwell's motion was denied and the case proceeded to trial.

The lower court's decision issued after the bench trial stated that one of the issues to be resolved was "whether the course of conduct of the Cook County Board over the years evinces an original intention that Sidwell should own the copyrights in issue." Much of the ensuing discussion, however, addressed the Barrett agreement, the silence of the contracts and other documents on the copyright

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[10] Sidwell does not argue that the County either abandoned or forfeited any copyright interest it may have had in the maps. Of course, a forfeiture or abandonment by the County would not benefit Sidwell, because under the 1909 Act an assignment of the County's copyright must be in writing. *See* 17 U.S.C. § 28 (1976) (repealed by 1976 Act); *Gardner v. Nizer*, 391 F. Supp. 940, 942 (S.D.N.Y. 1975). Under the facts of this case, then, there would be no assignment to Sidwell, and the maps would be in the public domain.

question, and the lack of direct evidence that the County had been informed about Sidwell's claim of copyright for over twenty years, and there was no mention of certain facts (such as the 1960 letters or the County's apparent compliance therewith) supporting Sidwell's claims. The court concluded that the County never "ratified" Sidwell's assumption of the copyrights and that, in the absence of any *express* provision for copyrights in Sidwell's written agreements with the County, Sidwell's copyrights were invalid. Having found neither a ratification nor an express agreement, it entered judgment in favor of REDI.

We are troubled by the district court's findings for several reasons. One problem is that it would appear that the court applied an incorrect legal standard. Under the work-for-hire doctrine of the 1909 Act, an independent contractor is not required to show that there was an *express* agreement regarding copyrights. In keeping with general contract principles, the presumption that the party commissioning the work is to retain these rights can be rebutted by the conduct of the parties in the absence of a written assignment. *See, e.g., Jerry Vogel Music Co. v. Warner Bros., Inc.*, 535 F. Supp. 172 (S.D.N.Y. 1982); *see also* 1 *M. Nimmer, Nimmer on Copyright* § 5.03[B] at 5-22.1 (1986 ed.). Stated in another manner, the parties' "course of performance" may be considered in interpreting a contract calling for the creation of a copyrightable work. *Cf. Restatement of Contracts* 2d § 203 (1979); Ill. U.C.C. §§ 2-202 & comment 2, 2-208 & comment 2. As the courts of Illinois have observed, "[T]here is no more convincing evidence of what the parties intended by their contract than to see what they did in carrying out its provisions." *Department of Revenue v. Jennison-Wright Corp.*, 393 Ill. 401, 408, 66 N.E.2d 395, 399 (1946); *see also Lenzi v. Morkin*, 103 Ill. 2d 290, 469 N.E.2d 178 (1984); *In re Estate of Hayden*, 61 Ill. App. 3d 815, 378 N.E.2d 631 (3d Dist. 1978); *New York Central Development Corp. v. Byczynski*, 95 Ill. App. 2d 474, 238 N.E.2d 414 (3d Dist. 1968).

The district court, no doubt hampered in its efforts by the unfocused presentation of the parties, seems to have reversed the temporal perspective. Interpretation by conduct is to be distinguished from ratification or waiver. In the former case, events subsequent to the signing of the contract may reveal the parties' original intention at the time the agreement was entered into; in the latter, subsequent events may indicate that the parties have altered that initial agreement. Sidwell's argument concerning acquiescence does not relate to waiver or ratification and obviously cannot supply an express term to the contract in question. It would appear then that the district court, in requiring a ratification or an express agreement, applied the wrong legal standard in considering the conduct of the County and Sidwell during the performance of these contracts.

We also do not know how the district court resolved certain factual disputes or what weight was assigned to certain evidence. First, there was no definitive finding that the contract between Sidwell and the County constituted either a partial or total "integration" of the parties' agreement. The agreement for the map project was surprisingly brief given the size and complexity of the undertaking. The relative weight accorded other facts would change depending on the status of the written contract. Second, the district court's order did not discuss either the letters sent to the County in 1960 regarding Sidwell's copyright claims or the County's subsequent conduct. Third, there was no mention of Sidwell's argument regarding the amount of consideration. The defendant did not contend that the sums paid to Sidwell were insufficient consideration, but rather that they reflected the parties' understanding that the contractor, and not the County, would own the copyrights. *See Welles*, 308 F.2d at 813 (size of fee considered in determining intent of parties regarding copyright ownership). It would not necessarily be irrational for the County (which is not in the commercial publishing business) to allow Sidwell to hold those rights. Indeed, an assignment of ownership to the defen-

dant would lower the purchase price, thereby reducing the burden on the state treasury. Fourth, there was no mention of the fact that, under the 1959 contract, the Purchasing Agent for the County was required to "inspect, accept or reject" the maps produced by Sidwell and no discussion of any effect this procedure may have had for placing the County on notice regarding Sidwell's assertion of copyright ownership. Finally, there was no analysis of the County's rather remarkable insouciance about any copyright interest it may have in the maps and about the instant litigation. Indeed, the County has been content to allow REDI, a stranger to the 1959 contracts, to represent its position. The County's marked indifference may provide indirect evidence of the parties' original intent.

We in no way mean to prejudge the outcome, but, under the facts of this case, we cannot definitively review the district court's judgment without the benefit of its views on the evidence and arguments described above. Therefore, we will reverse the judgment and remand for further proceedings.

D. Evidentiary Rulings

1. "Verbal Acts"

The district court excluded on hearsay grounds certain out-of-court statements offered by Sidwell. The appellant now argues on appeal that this was an error, because the testimony was not offered to prove the truth of the matter asserted, but to show that statements concerning copyrights were made by County personnel during contract negotiations. Sidwell claims that this evidence of "verbal acts" should have been admitted, not to show the intent of the parties, but to show that employees of Sidwell heard certain statements from the agents of the County and that these statements account for certain actions taken by Sidwell and for the lack of any copyright provision in the final contract.

"Verbal acts" may, of course, come in as an exception to the hearsay rule. However, the question in this case

involves the intent of the parties to the 1959 contracts. If Sidwell is not offering this evidence for the truth of the matter asserted, then it serves no purpose, as it in no way illuminates the intent issue. This evidence can at best only show a unilateral assumption on the part of Sidwell regarding the County's position on copyright ownership, not an agreement between the parties on the copyrights. Thus, even if the district court erred in excluding the testimony, that error was harmless.[11]

2. Parol Evidence

Citing the parol-evidence rule, the district court ruled that evidence of statements made during negotiations for the 1959 contracts was inadmissible. As noted above, the agreements in question were silent on the question of the copyrights. Thus, Sidwell was offering these statements to supplement, not modify or contradict, the written terms of the agreements.

Parol evidence may be admitted to establish the original intentions of the parties with respect to copyright ownership. *See May v. Morganelli-Heumann & Associates*, 618 F.2d 1363, 1369 (9th Cir. 1980). However, without a ruling from the district court that these contracts represented either a partial or total integration, we cannot evaluate the rulings of inadmissibility on the basis of the parol-evidence rule. The lower court, if it determines that the contracts were not a total integration, should reconsider its rulings on this evidence. We, however, can express no opinion on them at this time.

3. Deposition Testimony

At trial Sidwell sought to offer as part of its case excerpts of the depositions of four of its officers. The district

[11] Sidwell also claims that out-of-court statements attributed to Sidwell's founder were improperly excluded. However, Sidwell did not support this contention with legal argument. *See* Fed. R. App. P. 28(a). We, therefore, will not consider it.

court refused to consider them. Sidwell now argues that this exclusion was improper. We disagree. Sidwell on appeal refers us only to several statements from a deposition given by Mr. Rex, an officer of the company.[12] Even if these declarations had been admitted into evidence, they would in no way undermine the final decision of the district court. Thus, if their exclusion was error, it was harmless.

E. Remaining Arguments

1. Updated Maps

As noted above, Sidwell, pursuant to a written contract entered into in 1960, updates the County maps for an annual fee of $100. The district court found that "Sidwell has neither contracted for nor obtained a copyright from Cook County for the updated tax maps." In addition, it concluded that, since 1965 or 1963, Sidwell has performed no original work in updating the maps. On appeal, Sidwell argues that these rulings are erroneous.

Because we are remanding for further consideration of the effect of the conduct of the contracting parties, we cannot now review the district court's rulings on the updated maps. Of course, if upon reconsideration the court again finds that under the work-for-hire doctrine the County retains ownership of the copyrights, there is no need to determine whether Sidwell has or has not been providing an original contribution to the updated maps. If, however, the County does not own the copyrights to the updated maps, then the nature of the updating work done by Sidwell must be considered. As we cannot speculate

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[12] In its *reply* brief, Sidwell cites to additional passages from the depositions of other officers. However, an appellant's argument is to be made in its *opening*, not its reply, brief. We perceive no reason why Sidwell could not have included in its first brief argument about these passages from depositions of the other officers. Accordingly, the reference to depositions not listed in the initial memorandum are not open to review in this appeal.

on the outcome of the decision on remand, we express no opinion on the originality question.

2. Renewal Rights

In its briefs to this court, Sidwell maintained that the district court failed to distinguish between the original copyrights and the rights to renew the original copyrights. The best explanation for the lower court's failure to segregate the two is that Sidwell (as it conceded at oral argument before this court) did not raise the renewal issue below. It, therefore, cannot be raised on appeal. *See City of Chicago v. United States Department of Labor*, 753 F.2d 606, 607 n.3 (7th Cir. 1985).

III

To summarize, we find that the district court correctly concluded that Sidwell did not demonstrate by direct evidence that it had an agreement with the County regarding the disputed copyrights. However, Sidwell has offered indirect proof, in the form of the course of performance of the County and Sidwell, that could shed light on the original intent of those contracting parties. To be sure, there is much conflicting evidence and we could arrive at different conclusions from the facts in the record. Our role, however, is to review the findings and conclusions of the district court, not to arrive at our own decision *de novo*. The lower court's order does not provide us with information sufficient to accomplish that review. The case, then, is REVERSED and REMANDED for further proceedings consistent with this opinion. Circuit Rule 18 shall not apply.

A true Copy:

Teste:

Clerk of the United States Court of Appeals for the Seventh Circuit

APPENDIX G

UNITED STATES COURT OF APPEALS
For the Seventh Circuit
Chicago, Illinois 60604

April 21, 1987.

Before

Hon. JOEL M. FLAUM, *Circuit Judge*
Hon. FRANK H. EASTERBROOK, *Circuit Judge*
Hon. KENNETH F. RIPPLE, *Circuit Judge*

THE SIDWELL COMPANY, INC.,

Plaintiff-Appellant,

No. 86-2268 vs.

REAL ESTATE DATA, INC.,

Defendant-Appellee.

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.
No. 86-C-5475—Hon. Frank J. McGarr, *Judge.*

This matter is before the court for its consideration on the following documents:

1. The "STATUS REPORT OF SIDWELL" filed on April 10, 1987, and

2. The "STATUS REPORT OF APPELLEE REAL ESTATE DATA, INC." filed on April 10, 1987.

It appears from a review of the file in this case that judicial economy would best be served by deciding this case with the case we remanded to Judge Norgle, *Real Estate Data, Inc. v. Sidwell Co.*, 809 F.2d 366 (7th Cir. 1987). Accordingly,

IT IS ORDERED that this case is REMANDED to the district court. We suggest that this case be reassigned to Judge Norgle so that the entire controversy between these parties can be resolved in one proceeding.

APPENDIX H

UNITED STATES COURT OF APPEALS
For the Seventh Circuit
Chicago, Illinois 60604

JUDGMENT—WITH ORAL ARGUMENT

Date: July 25, 1990

BEFORE: Honorable William J. Bauer, Chief Judge
Honorable Walter J. Cummings, Circuit Judge
Honorable Daniel A. Manion, Circuit Judge

Nos. 89-2427, 89-3562

REAL ESTATE DATA, INCORPORATED,

Plaintiff-Appellee,

v.

SIDWELL COMPANY and
SIDWELL STUDIO, INCORPORATED,

Defendants-Appellants.

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division
No. 78 C 2882, Judge Charles R. Norgle

This cause was heard on the record from the above mentioned district court, and was argued by counsel.

On consideration whereof, IT IS ORDERED AND ADJUDGED by this Court that the judgment of the district court in appeal No. 89-2427 is AFFIRMED, with costs; and the order denying preliminary injunction in appeal No. 89-3562 is AFFIRMED, in accordance with the opinion of this Court filed this date.

APPENDIX I

UNITED STATES COURT OF APPEALS
For the Seventh Circuit
Chicago, Illinois 60604

September 14, 1990.

Before

Hon. WILLIAM J. BAUER, *Chief Judge*
Hon. WALTER J. CUMMINGS, *Circuit Judge*
Hon. DANIEL A. MANION, *Circuit Judge*

REAL ESTATE DATA, INCORPORATED,

Plaintiff-Appellee,

Nos. 89-2427
89-3562

vs.

SIDWELL COMPANY and SIDWELL STUDIO, INCORPORATED,

Defendants-Appellants.

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.
No. 78 C 2882—Charles R. Norgle, *Judge.*

ORDER

On consideration of the petitions for rehearing filed on August 8, 1990, by the Sidwell Company, all of the judges on the original panel having voted to deny the same,

IT IS HEREBY ORDERED that the aforesaid petitions for rehearing be, and the same are hereby, DENIED.